



Monthly Revenue Release

Agency of Administration
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Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's revenue results for February 2018. Preliminary results indicate a slight down in the General Fund and a positive month for the Transportation and Education Funds.

Revenue collections for the month of February 2018 have been compiled. February marks the eight month of fiscal year 2018.

On January 18, 2018, the Emergency Board met and approved a revised consensus revenue forecast as recommended by the State and Legislative economists. The updated consensus forecast, with new monthly and cumulative targets, will be used to evaluate the receipts versus targets through June 2018.

The updated forecast expected revenues for Fiscal Year 2018 to increase in the General Fund by \$8.1 million (.5%), by \$1.4 million (.5%) in the Transportation Fund, and by \$0.4 million in the Education Fund.

General Fund revenues collected for the month of February totaled \$106.46 million, \$0.80 million below the consensus cash flow expectation of \$107.26 million for the month.

The Transportation Fund collected \$18.44 million for the month of February, +\$0.52 million ahead of its \$17.91 million target.

The Education Fund collected \$15.12 million for the month, \$1.13 million ahead of the consensus target of \$13.99 million.

Compared to this point in time last Fiscal Year 2017, the General Fund revenues have increased by \$20.47 million (\$975.41 million vs. \$954.95 million). The Transportation and Education Funds are both slightly ahead of last fiscal year by +\$6.40 million and +\$6.84 million, respectively.

"The three funds were generally on target for February," said Secretary Young. "The Personal Income tax component of the General Fund, however, was -\$8.6 million below target, primarily due to technology and other improvements at the Vermont Tax Department to the processing of Personal Income tax refunds. Refunds this year are being paid more quickly than the consensus forecast anticipated. At the end of February, 2017, the Tax Department had issued 18,521 tax refunds. At month's end in February, 2018, 22,000 more refunds were issued than last year, for a total of 40,526. This is good news for those owed a refund as well as for Vermont's economy as earlier refunds help Vermont households pay off debt sooner and boost consumer spending."

This -\$8.6 miss in personal income was offset almost entirely by a better than expected performance in the Corporate Tax of +\$3.67 million, Insurance Tax of +\$3.75 million and the Sales and Use Tax at +0.83 million.

"Corporate Income Tax revenues remain uncertain—primarily due to federal tax reform and the pending extra ordinary corporate tax refunds that we have discussed over the past several months," noted Young. "March and April revenue results should bring more clarity to how federal tax changes will impact Vermont's corporate collections when first quarter estimates are filed in mid-March for calendar year corporations and requests for refunds are filed in mid-April."

The positive variance in Insurance Tax receipts appears to be attributable to the Captive Insurance Tax component which finished February more than \$3.5 million higher than expected. "It remains to be seen whether or not this positive variance will be given back in the month of March," continued the Secretary.

State of Vermont Revenue, by Major Fund					Month: Feb-18				Preliminary			
vs. Consensus Revenue Forecast Target					FY: 2018							
General Fund By Major Element (In Millions)*												
	Month				Fiscal YTD				Prior Fiscal YTD			
Tax Component	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	Change	% Change	
Personal Income	41.30	32.71	-8.60	-20.82%	520.50	510.17	-10.33	-1.98%	495.31	14.86	3.00%	
Sales & Use	18.43	19.26	0.83	4.48%	175.62	176.54	0.91	0.52%	167.73	8.81	5.25%	
Corporate	0.28	3.94	3.67	1311.92%	27.30	31.80	4.49	16.46%	43.26	-11.46	-26.50%	
Meals & Room	14.09	13.96	-0.13	-0.91%	119.59	119.64	0.05	0.04%	114.58	5.06	4.42%	
Insurance Premium	23.10	26.85	3.75	16.23%	42.48	45.65	3.17	7.47%	41.47	4.19	10.09%	
Inheritance & Estate	1.39	0.39	-1.00	-71.76%	13.19	12.20	-0.99	-7.53%	10.82	1.38	12.80%	
Real Prop. Transfer	0.73	0.71	-0.02	-3.39%	8.29	8.37	0.08	1.02%	8.49	-0.11	-1.35%	
Other	7.93	8.63	0.71	8.91%	69.06	71.04	1.98	2.87%	73.30	-2.26	-3.08%	
Total	107.26	106.46	-0.80	-0.75%	976.04	975.41	-0.62	-0.06%	954.95	20.47	2.14%	
*Differences due to rounding												
Transportation Fund By Major Element (In Millions)*												
	Month				Fiscal YTD				Prior Fiscal YTD			
Tax Component	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	Change	% Change	
Gasoline	5.61	5.49	-0.12	-2.18%	52.25	52.50	0.26	0.49%	52.89	-0.39	-0.74%	
Diesel Fuel	1.07	1.38	0.30	28.13%	12.64	12.94	0.30	2.35%	12.04	0.89	7.43%	
MV Purchase & Use	4.09	4.61	0.52	12.67%	44.03	45.09	1.06	2.41%	41.88	3.21	7.67%	
Motor Vehicle Fees	5.62	5.55	-0.07	-1.19%	52.07	52.23	0.16	0.30%	50.82	1.41	2.77%	
Other	1.52	1.41	-0.11	-7.04%	14.18	13.70	-0.49	-3.44%	12.42	1.28	10.28%	
Total	17.91	18.44	0.52	2.92%	175.17	176.46	1.29	0.73%	170.06	6.40	3.76%	
Note:												
TIB Fuel Fees/Gasoline	0.95	0.93	-0.02	-1.71%	8.48	8.45	-0.04	-0.44%	8.50	-0.06	-0.66%	
TIB Fuel Fees/Diesel	0.11	0.15	0.04	33.57%	1.30	1.33	0.04	2.89%	1.50	-0.17	-11.19%	
*Differences due to rounding												
Education Fund By Major Element (In Millions)*												
Component	Month				Fiscal YTD				Prior Fiscal YTD			
	Target	Revenue	\$ Change	% Change	Target	Revenue	\$ Change	% Change	Revenue	Change	% Change	
Sales & Use	9.93	10.37	0.44	4.48%	94.57	95.06	0.49	0.52%	90.32	4.74	5.25%	
MV Purchase & Use	2.04	2.30	0.26	12.68%	22.01	22.55	0.53	2.41%	20.94	1.61	7.67%	
Lottery Transfer	2.02	2.45	0.42	20.81%	14.78	15.47	0.69	4.70%	15.13	0.34	2.25%	
Investment Income	0.00	0.00	0.00	-100.00%	0.36	0.35	-0.02	-4.23%	0.20	0.15	76.79%	
Total	13.99	15.12	1.13	8.06%	131.73	133.43	1.70	1.29%	126.59	6.84	5.40%	
*Differences due to rounding												

State of Vermont

Comparative Statement of Revenues
General Fund
As of February 28, 2018

	<u>Total to Date</u> <u>Last Year</u>	<u>Total to Date</u> <u>This Year</u>	<u>%of Change</u>
Taxes			
Personal Income Tax	495,310,181	510,174,576	3.0%
Sales & Use Tax	167,730,934	176,537,130	5.3%
Corporate Income Tax	43,256,094	31,795,125	-26.5%
Meals & Rooms Tax	114,579,040	119,641,599	4.4%
Liquor & Wine Tax	12,686,688	13,189,845	4.0%
Insurance Premium	41,465,008	45,650,805	10.1%
Telephone Gross Receipts	157,143	156,774	-0.2%
Telephone Property Tax	4,070,563	2,942,288	-27.7%
Beverage Tax	4,758,276	4,840,888	1.7%
Electric Generating	0	0	0.0%
Inheritance & Estate Tax	10,816,231	12,200,792	12.8%
Real Property Transfer Tax	8,485,537	8,370,738	-1.4%
Bank Franchise Tax	9,506,567	8,970,066	-5.6%
All Other Taxes	1,355,643	1,195,429	-11.8%
Total Taxes	914,177,907	935,666,056	2.4%
Other Revenues			
Business Licenses	870,642	916,035	5.2%
Fees	31,085,719	30,986,613	-0.3%
Services	2,000,137	1,897,409	-5.1%
Fines, Forfeits & Penalties	3,293,660	2,012,554	-38.9%
Interest, Prem	721,459	1,755,468	143.3%
Special Assessments	0	0	0.0%
All Other Revenues	2,796,153	2,180,589	-22.0%
Total Other Revenues	40,767,770	39,748,668	-2.5%
Total General Fund	954,945,677	975,414,724	2.1%

**Comparative Statement of Revenues
Transportation Fund
As of February 28, 2018**

	<u>Total to Date Last Year</u>	<u>Total to Date This Year</u>	<u>% of Change</u>
Non-Dedicated			
Taxes			
Gasoline	52,893,949	52,502,033	-0.7%
Diesel Fuel	12,040,877	12,935,083	7.4%
MV Purchase & Use	<u>41,879,062</u>	<u>45,092,610</u>	<u>7.7%</u>
Total Taxes	<u>106,813,887</u>	<u>110,529,726</u>	<u>3.5%</u>
Other Revenues			
Motor Vehicle Fees	50,824,268	52,232,076	2.8%
Other	<u>12,419,524</u>	<u>13,696,194</u>	<u>10.3%</u>
Total Other Revenues	<u>63,243,792</u>	<u>65,928,269</u>	<u>4.2%</u>
Total Non-Dedicated	<u>170,057,679</u>	<u>176,457,996</u>	<u>3.8%</u>
Dedicated			
Federal Aid	201,785,397	224,801,709	11.4%
Infrastructure Bond Fund Revenue	10,015,065	9,779,270	-2.4%
Transportation Impact Fee	54,468	89,700	64.7%
Other	<u>2,469,569</u>	<u>1,933,325</u>	<u>-21.7%</u>
Total Dedicated	<u>214,324,499</u>	<u>236,604,005</u>	<u>10.4%</u>
Total Transportation Fund	<u>384,382,178</u>	<u>413,062,001</u>	<u>7.5%</u>

State of Vermont
Comparative Statement of Revenues
Education Fund
As of February 28, 2018

	<u>Total to Date</u> <u>Last Year</u>	<u>Total to Date</u> <u>This Year</u>	<u>% of Change</u>
Non-Dedicated			
Estimated Revenues:			
Sales & Use Tax	90,316,657	95,058,455	5.3%
Purchase & Use Tax	20,939,531	22,546,305	7.7%
Lottery Transfer	15,133,687	15,474,618	2.3%
Investment Income	197,236	348,694	76.8%
Total estimated revenues	<u>126,587,111</u>	<u>133,428,071</u>	<u>5.4%</u>
Other Revenues:			
Education Property Taxes	85,269,793	83,536,254	-2.0%
Electric Energy Educ Prop Tax	0	0	0.0%
Uniform Capacity Tax	423,443	348,964	-17.6%
Medicaid Reimbursement	0	0	0.0%
All Other Revenues	26,245	787,275	2899.7%
Total other revenues	<u>85,719,482</u>	<u>84,672,493</u>	<u>-1.2%</u>
Total Education Fund	<u><u>212,306,593</u></u>	<u><u>218,100,564</u></u>	<u><u>2.7%</u></u>